

FOREIGN CLAIMS SETTLEMENT COMMISSION  
OF THE UNITED STATES  
WASHINGTON, D.C. 20579

IN THE MATTER OF THE CLAIM OF

CHRISTOPHER LENARD

Under the International Claims Settlement  
Act of 1949, as amended

Claim No.CU -2502

Decision No.CU - 5874

PROPOSED DECISION

This claim against the Government of Cuba, under Title V of the International Claims Settlement Act of 1949, as amended, in the amount of \$16,000.00 was presented by CHRISTOPHER LENARD and is based upon an asserted loss sustained in connection with currency issued by the Cuban Government. Claimant has been a national of the United States since birth.

Under Title V of the International Claims Settlement Act of 1949 [78 Stat. 1110 (1964), 22 U.S.C. §§1643-1643k (1964), as amended, 79 Stat. 988 (1965)], the Commission is given jurisdiction over claims of nationals of the United States against the Government of Cuba. Section 503(a) of the Act provides that the Commission shall receive and determine in accordance with applicable substantive law, including international law, the amount and validity of claims by nationals of the United States against the Government of Cuba arising since January 1, 1959 for

losses resulting from the nationalization, expropriation, intervention or other taking of, or special measures directed against, property including any rights or interests therein owned wholly or partially, directly or indirectly at the time by nationals of the United States.

Section 502(3) of the Act provides:

The term 'property' means any property, right, or interest including any leasehold interest, and debts owed by the Government of Cuba or by enterprises which have been nationalized, expropriated,

intervened, or taken by the Government of Cuba and debts which are a charge on property which has been nationalized, expropriated, intervened, or taken by the Government of Cuba.

Claimant asserts the ownership of 16,000.00 Cuban pesos and submitted pesos and serial numbers for the large denominations. The record establishes that claimant left Cuba permanently in June, 1959.

By Law 963, published in the Official Gazette on August 4, 1961, a currency exchange was ordered, to be carried out on August 6 and 7, 1961. All old currency was to be turned in at designated Centers in exchange for new Cuban bank notes. No one was allowed, under the Law, to receive more than 200 new pesos, and all currency in excess of that amount was placed in a special account in the individual's name. After the exchange old currency was of no value. A 60-day extension was provided in Article X for those showing good reason for their inability to surrender their money on the specified days of exchange. Article XI of Law 963 declared all currency which, at the time of promulgation, was outside the territory under the jurisdiction of the Cuban State to be null and of no legal force. Law 964, published on August 9, 1961, provided for the confiscation of all of the new special accounts over 10,000 pesos established pursuant to Law 963.

Even if Cuban Law 963 had as its legitimate purpose the reduction of the amount of currency in circulation and for that reason was in line with sound fiscal policy as well as with international law, it does not appear that any measures were taken by the Cuban Government to alleviate losses of the type sustained by this claimant. In fact, inasmuch as claimant's currency was outside of the territory under the jurisdiction of the Cuban State, his currency automatically was declared to be null and of no legal force under Article XI of Law 963.

In this case, the Commission concludes that Cuban Law 963 and its implementation with respect to claimant constituted a taking of property by the Government of Cuba within the contemplation of Title V of the Act; that the loss in the amount of 16,000 pesos occurred on August 4, 1961; and the pesos had a value of \$16,000 on that date.

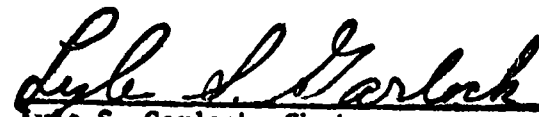
The Commission has decided that in certifications of loss on claims determined pursuant to Title V of the International Claims Settlement Act of 1949, as amended, interest should be included at the rate of 6% per annum from the date of loss to the date of settlement (see Claim of Lisle Corporation, Claim No. CU-0644), and it is so ordered in the instant claim.

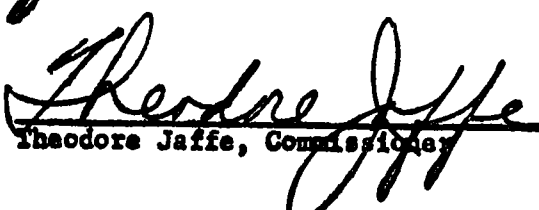
CERTIFICATION OF LOSS

The Commission certifies that CHRISTOPHER LENARD suffered a loss, as a result of actions of the Government of Cuba, within the scope of Title V of the International Claims Settlement Act of 1949, as amended, in the amount of Sixteen Thousand Dollars (\$16,000.00) with interest at 6% per annum from August 4, 1961 to the date of settlement.

Dated at Washinton, D. C.,  
and entered as the Proposed  
Decision of the Commission

SEP 30 1970

  
Lyle S. Garlock, Chairman

  
Theodore Jaffe, Commissioner

NOTICE TO TREASURY: The above-referenced Cuban currency may not have been submitted to the Commission or if submitted, may have been returned; accordingly, no payment should be made until claimant establishes retention of the currency or the loss here certified.

The statute does not provide for the payment of claims against the Government of Cuba. Provision is only made for the determination by the Commission of the validity and amounts of such claims. Section 501 of the statute specifically precludes any authorization for appropriations for payment of these claims. The Commission is required to certify its findings to the Secretary of State for possible use in future negotiations with the Government of Cuba.

NOTICE: Pursuant to the Regulations of the Commission, if no objections are filed within 15 days after service or receipt of notice of this Proposed Decision, the decision will be entered as the Final Decision of the Commission upon the expiration of 30 days after such service or receipt of notice, unless the Commission otherwise orders. (FCSC Reg., 45 C.F.R. 531.5(e) and (g), as amended, 32 Fed. Reg. 412-13 (1967).)